

SENATE BILL NO. 450

INTRODUCED BY KITZENBERG

A BILL FOR AN ACT ENTITLED: "AN ACT SUBMITTING TO THE QUALIFIED ELECTORS OF MONTANA AN AMENDMENT TO ARTICLE VIII, SECTION 16, OF THE MONTANA CONSTITUTION PROVIDING THAT STATEWIDE PROPERTY TAXES OR FEES MAY NOT BE CHANGED TO REDUCE ANY IMPOSED ON CERTAIN CLASSES OF PROPERTY IF PROPERTY TAX RELIEF IS GRANTED IN THE ENACTMENT OF A GENERAL STATEWIDE SALES TAX OR USE TAX."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Article VIII, section 16, of The Constitution of the State of Montana is amended to read:

"Section 16. Limitation on sales tax or use tax rates -- limitation on property taxation. (1) The rate of a general statewide sales tax or use tax may not exceed 4%.

(2) If a general statewide sales tax or use tax is enacted and if it contains a provision for property tax relief, property taxes, whether levied by the state, a local government, or a school district, may not be changed to reduce the inflation-adjusted amount of the property tax relief NO STATEWIDE TAX OR FEE ON PROPERTY MAY BE LEVIED ON CLASS THREE, CLASS FOUR, OR CLASS TEN PROPERTY AS THOSE CLASSES WERE DEFINED ON JANUARY 1, 2007."

NEW SECTION. Section 2. Submission to electorate. This amendment shall be submitted to the qualified electors of Montana at the general election to be held in November 2006 by printing on the ballot the full title of this act and the following:

[] FOR ~~providing that any~~ LIMITING PROPERTY TAXES LEVIED BY THE STATE IF property tax relief is granted with the enactment of a sales tax or use tax may not be reduced.

[] AGAINST ~~providing that any~~ LIMITING PROPERTY TAXES LEVIED BY THE STATE IF property tax relief is granted with the enactment of a sales tax or use tax may not be reduced.

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